

ARKANSAS TEFRA-LIKE 1115 DEMONSTRATION**FACT SHEET**

Name of Section 1115 Demonstration: Arkansas TEFRA-like Demonstration

Date Proposal Submitted: July 18, 2002

Date Proposal Approved: October 17, 2002

To Be Implemented: January 1, 2003

SUMMARY

This demonstration will continue serving disabled children otherwise eligible for Medicaid under Section 134 of the Tax Equity and Fiscal Responsibility Act (TEFRA) through the 1115 authority. A sliding scale premium would be implemented based on the income of the custodial parent(s), beginning with those earning at least \$25,000. The annual premium to be paid by any family would range from \$504 to \$5,500 (as a percent of income it would range from 1.00% to 2.75%). In addition, \$600 per child living in the home of a demonstration child and who is listed as a dependent child on applicable tax returns is deducted from parental income in determining premium amounts. Excess medical and dental expenses itemized in the tax return are also deducted from parental income.

ELIGIBILITY

Children eligible for the TEFRA-like demonstration must meet the following requirements:

- Be an Arkansas resident;
- Be disabled according to the SSI definition;
- Be age 18 or younger;
- Be a U.S. citizen or a qualified alien;
- Have a Social Security Number or apply for one;
- Not have assets exceeding \$2000 (parental assets not considered);
- Have income at less than the current Long Term Care income limit, currently at \$1635 per month; i.e. the child would be Medicaid eligible if institutionalized (parental income not considered).

BENEFIT PACKAGE

All Medicaid State plan services are provided under this demonstration.

ENROLLMENT PROCESS

The current TEFRA application process will be maintained, including receiving the application, interviewing and requesting information necessary to process the application. The Division of County Operations will be responsible for processing application.

DELIVERY SYSTEM

Services provided to children through this TEFRA-like demonstration will be delivered through the current network of Medicaid providers. Each demonstration recipient will receive services through a primary care physician (PCP). Reimbursement will be on a fee-for-service basis.

QUALITY ASSURANCE

Arkansas uses the following quality assurance strategies:

- Maintenance of the Medicaid grievance and appeal system;
- Arkansas Foundation for Medical Care Inc. (AFMC) review of substandard care allegations;
- Surveillance and Utilization Review Subsystem to identify aberrant provider practices;
- AFMC conduct of provider education efforts.

COST-SHARING

A sliding scale premium would be implemented based on the income of the custodial parent(s), beginning with those earning at least \$25,000. The annual premium to be paid by any family would range from \$504 to \$5,500 (as a percent of income it would range from 1.00% to 2.75%).

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October 23, 2002